I read Why Nations Fail, by Daron Acemoglu and James A. Robinson. This book delves into the multiple theories related to the success of some countries and the failure of others. It begin by explaining the theories that are most commonly believed, such as Jared Diamonds Geography theory, or the idea that culture either facilitates or inhibits economic growth. However, Acemoglu and Robinson disregard these theories. In their opinion, it is a combination of small differences between countries, critical junctures in their nations history, and the development of either inclusive or extractive political and economic regimes that determines whether or not a nation will become a success.

One of their key examples is that of Nogales. Nogales is a city that is split in half, one side is Nogales, Arizona, and the other is Nogales, Sonora. The two halves of this town are exceedingly different; the US half is a prosperous middle class area, while the Sonoran half struggles with poverty and corruption. Obviously, it is not culture or geography that separates these two halves of one town; it is the institutions that govern them. Acemoglu and Robinson argue that it was the path towards inclusive governing and inclusive economics that have allowed the US city to become so successful as a society, and that the extractive political regime that enables its own instability with corrupt government and little opportunity for economic investment that is responsible for the relative failure of the Sonoran city.

As I read this book, I was initially thrown by the complete dismissal of the main theories I had been taught as the effective differences between my nation and other less fortunate nations. But as the book progressed, and examinations of early Europe, Asia, and the Americas brought to light the patterns of political instability and revolution for change that led to eventual prosperity, I realized how accurate this theory is. It accounts explanations for factors that other theories never consider, like why the Industrial Revolution took place in England rather than China or even France, and what that meant for the future development of English colonies compared to French colonies of the Chinese nation.

Overall, this book has attuned me to the decisions I see being made in our country today when it comes to foreign policy. I see the effect of a government that is not threatened by creative destruction, which allows innovation to propel ours and other inclusive institutions forward. I understand our inability to truly help a country in which the ruler is so busy competing amongst a group of elites for complete economic control that it results in leaving the people stranded and poor without any sort of power looking out for their interests. I personally see the kind of changes that need to be made worldwide for there to be prosperity in all nations and not just a few; there needs to be turbulent development among the governed. In unstable extractive governments like those that make up the poorest counties, it doesn’t take much to topple the corruption and allow inclusive institutions to take root. Unfortunately, the effort it would take to organize such an event is beyond the resources and capacity of many of the nations that need it.